

"Jim Cika" <jcika@rinnai.us>
To: Richard.Karney@EE.DOE.GOV
cc: "Ervin Cash" <ecash@rinnai.us>
05/15/2003 05:09 PM
Subject: Water Heater Analysis Comments

Mr. Karney,

Rinnai America Corporation, a manufacturer of instantaneous water heaters, supports the development of an Energy Star program for water heaters. Following our review of the water heater analysis completed by D&R International, Ltd., and our participation in the informal discussion held in Washington D.C. on April 16th, we have the following comments regarding this issue:

1. Rinnai firmly believes that work should proceed with the development of an Energy Star water heater program. The industry and consumers will benefit from a program such as this that will readily identify the water heater products on the market having the highest efficiencies.
2. We support including all types of water heaters in the Energy Star water program that are covered by the D.O.E. water heater test procedures, 10 CFR Part 430 Subpt. B, App. E (1-1-03 Edition). Water heaters that are not currently covered by this test method should not be included in the Energy Star program at this time, but should be included at a later time.
3. Rinnai feels that "New Technologies" should not be omitted from consideration in the water heater program due to the fact that they are new to the U.S. market. Instantaneous water heaters, while new to the U.S. marketplace, have been in use for over 20 years in Asian, European, and other markets throughout the world, and as such, should not be lumped into the classification of "New Technologies". Instantaneous water heater products have now penetrated the U.S. market, are readily available, are reliable, and should be included in any Energy Star water heater program developed by D.O.E.
4. Following the April 16 meeting in Washington D.C., we have a better of understanding of how the "Potential Energy Star EF" was determined. However, we do not totally support the initial values published in the water heater analysis. The proposed EF for the Gas Instantaneous product class, unlike the other classes, is significantly higher than the Federal minimum. Rinnai would like to see the Energy Star EF for instantaneous water heaters lowered to 0.78. This would open up the instantaneous market more by allowing more manufacturers' of instantaneous water heaters to produce products meeting the Energy Star requirements. (For some manufacturer's, the 0.82 EF level can only be reached by using more expensive, condensing type water heaters.) We might support a shift to a higher EF of 0.82 after the instantaneous water heater market share has increased to a level that will lower the cost of the higher cost, condensing type water heater technologies.

Thank you for the opportunity to voice our concerns in this important matter. We look forward to working further with D.O.E. in the coming months to resolve any issues that may hinder your efforts in completing this project.

Jim Cika
Engineering Services Manager
Rinnai Corporation